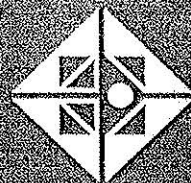
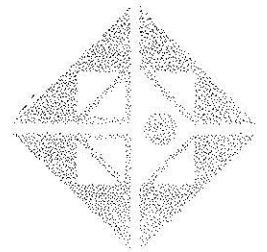




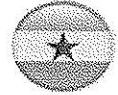
Eco-Friendly Recycling

ANNUAL REPORT 2015-16



GRAVITA
GHANA LTD

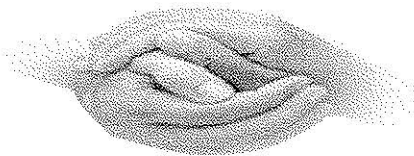
ANNUAL REPORT 2015-16



GRAVITA GHANA LIMITED

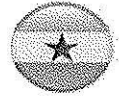
Contents

1.	<i>Company information</i>	3
2.	<i>Financial Highlights</i>	4
3.	<i>Report of Directors</i>	5
4.	<i>Report of Auditors</i>	6
5.	<i>Balance sheet</i>	8
6.	<i>Profit and Loss account</i>	9
7.	<i>Cash flow statement</i>	10
8.	<i>Significant Accounting Policies & Notes to Accounts</i>	11 - 16





GRAVITA GHANA LTD.



ANNUAL REPORT 2015-16

COMPANY INFORMATION

DIRECTORS

RAJAT AGRAWAL
VIJENDRA SINGH TANWAR

SECRETARY

PARKER ALLOTEY CONSULT
P.O.BOX.CO. 1088
TEMA, GHANA

TEL :- 0303-212707 ,
FAX NO. :- 0303-212708
Mail ID :- pal_adu@yahoo.co.uk

REGISTERED OFFICE

IND/A/43/1B
HEAVY INDUSTRIAL AREA
TEMA
GHANA

BANKERS

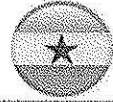
- | | |
|---|-----------------------------|
| 1 | MERCHANT BANK GHANA LIMITED |
| 2 | NORTH RIDGE , ACCRA |
| 3 | FEDILITY BANK GHANA LIMITED |
| | RIDGE-TOWER, ACCRA |
| | BANK OF BARODA |
| | ADABRAKA , ACCRA |

AUDITORS

PARKER ALLOTEY CONSULT
P.O.BOX.CO. 1088
TEMA, GHANA

TEL :- 0303-212707 ,
FAX NO. :- 0303-212708
Mail ID :- pal_adu@yahoo.co.uk

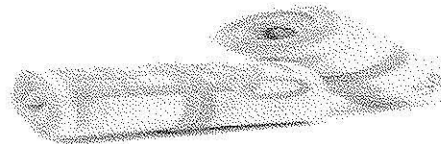




FINANCIAL HIGHLIGHTS

ANNUAL REPORT 2015-16

Particulars	<u>2,016</u> GHC	<u>2,015</u> GHC
TURNOVER	20,925,320	17,559,622
NET PROFIT/(LOSS) BEFORE TAX	(7,825)	768,728
NET PROFIT/(LOSS) AFTER TAX	(7,825)	768,728
NET CASH FLOW FROM OPERATING ACTIVIES	129,372	235,724
SHARE CAPITAL	314,363	314,363
RESERVE & SURPLUS	5,799,372	5,807,196
CAPITAL EXPENDITURE	208,809	159,924





ANNUAL REPORT 2015-16

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH, 2016
REPORT OF THE BOARD OF DIRECTORS

Financial Statements

The Directors have the pleasure in submitting to the members of the company, their seventh annual report together with the audited financial statement for the year ended 31st March, 2016.

Principal Activities

There was no change in the Object of the company.

Statement of Directors Responsibilities

The directors are responsible for preparing the financial statements for each financial year. The statements give a true and fair view of the state of affairs of the company at the end of the financial year and of the Trading & profit and loss of the company for that year.

In preparing those financial statements, the directors are required to

- * Select suitable accounting policies and then apply them consistently.
- * Make judgments and estimates that are reasonable and prudent.
- * State whether the applicable accounting standards have been followed.
- * Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps accounting records which disclose with reasonable accuracy the financial position of the company and which enables them to ensure that the financial statements complies with the Ghana Companies Act . They are responsible for taking such steps as reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The Financial Results of Company are set as follows

The Net Profit/(Loss) for the year before Taxation	(7,825)
From which is deducted taxation and Levies	-
Giving a Net profit/(Loss) after taxation of	<u>(7,825)</u>
To which must be added balance brought Forward on the Income Surplus Account	5,807,196
Leaving a balance on the income surplus account of	<u>5,799,372</u>

Dividend

The Directors do not recommend the payment of dividend for the Year ended 31st March, 2016.

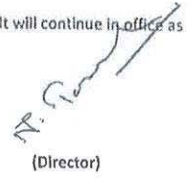
Auditors

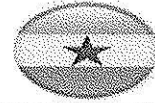
In accordance with Section 134(5) of the Companies Code, the auditors, Messrs Parker Allotey Consult will continue in office as auditors of the company.

On Behalf of Directors


(Director)

Dated: 25 April 2016


(Director)



GRAVITA GHANA LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS OF GRAVITA GHANA LTD ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2016.

Report on the Financial Statements

We have audited the accompanying financial statements of Gravita Ghana Ltd. which comprise the Balance Sheet as of March 31, 2016, Profit Loss Account, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with the manner required by the Companies Code, 1963 (Act 179) This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standard on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Gravita Ghana Ltd, as at 31, March 2016, and of its financial performance and comply with the Ghana Companies Code, 1963 (Act 179).

Report on Other Legal and Regulatory Requirements

The Ghana Companies Code, 1963 (Act 179) requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- In our opinion proper books of accounts have been kept by the Company so far as appear from our examination of those books and
- The Balance Sheet and Profit and Loss Account of the Company are in agreement with the books of accounts.

Dated: 25 April 2016.

PARKER ALLOTTEY CONSULT
(CHARTERED ACCOUNTANTS)
Parker Allotey Consult
(Chartered Accountants)



ANNUAL REPORT 2015-16

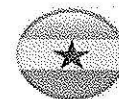
BALANCE SHEET
AS AT 31st MARCH 2016

	Notes	(Amount in GHC)	
		As on 31.03.2016	As on 31.03.2015
NON-CURRENT ASSETS (A)			
Property, Plant & Equipment	2	607,887	676,938
		607,887	676,938
CURRENT ASSETS (B)			
Stocks	3	3,321,116	1,801,694
Accounts Receivable	4	6,300,566	9,330,713
Cash & Bank Balances	5	281,098	296,388
		9,902,781	11,428,797
TOTAL ASSETS		10,510,667	12,105,734
CURRENT LIABILITIES			
Accounts Payable	6	4,396,932	5,984,175
WORKING CAPITAL		5,505,848	5,444,622
NET ASSETS		6,113,735	6,121,559
REPRESENTED BY:			
Stated capital	7	314,363	314,363
Income Surplus		5,799,372	5,807,196
TOTAL		6,113,735	6,121,559

The accompanying notes form an integral part of these financial statements.

DIRECTOR

DIRECTOR

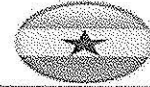


**TRADING AND PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31st March 2016**

	Notes	(Amount in GH¢)	
		For the year ended 31.03.2016	For the year ended 31.03.2015
TURNOVER	8	20,894,625	17,559,622
LESS: COST OF OPERATIONS	9	(19,439,644)	(17,100,915)
GROSS MARGIN		1,454,981	458,706
OTHER INCOME	10	209,857	2,621,065
		1,664,838	3,079,771
<u>LESS:</u>			
SELLING , AND GENERAL & ADMIN. EXPENSES	11	(1,437,448)	(1,317,751)
FINANCIAL EXPENSES	12	(235,215)	(993,295)
NET PROFIT/(LOSS) BEFORE TAX		(7,825)	768,725
TAXATION		-	-
NET PROFIT/(LOSS) AFTER TAX TRANSFERRED TO INCOME SURPLUS ACCOUNT		(7,825)	768,725

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31st March 2016**

	STATED CAPITAL	INCOME SURPLUS 2016	INCOME SURPLUS 2015
BALANCE - 1st APRIL	314,363	5,807,196	5,038,468
NET PROFIT/(LOSS) FOR THE YEAR		(7,825)	768,728
		-	-
	314,363	5,799,372	5,807,196



**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31st March 2016**

ANNUAL REPORT 2015-16

	(Amount in GHc)	
	For the year ended 31.03.2016	For the year ended 31.03.2015
RECONCILIATION OF OPERATING PROFIT TO		
<u>NET CASH FLOW FROM OPERATING ACTIVITIES</u>		
Net Profit as per accounts	(7,825)	768,728
Depreciation & Loss on Assets sold	277,740	100,564
Increase/Decrease in stock	(1,519,422)	(547,154)
Increase/Decrease in accounts receivable	3,030,145	(1,370,424)
Increase/Decrease in accounts payable	(1,648,330)	1,286,946
Loss/(Profit) on sale of fixed asset	(2,936)	(2,936)
Net Cash Inflow from Operations	129,372	235,724
Net Cash Flow from Operating Activities	129,372	235,724
<u>INVESTING ACTIVITIES</u>		
Acquisition of Fixed Assets	(208,809)	(159,924)
Discard of Fixed Asset	3,057	77,568
Net Cash Flow provided/used from Investing Activities	(205,751)	(82,356)
<u>FINANCING ACTIVITIES</u>		
Increase/Decrease in Loan	61,089	-
Net Cash Flow from Operating Activities	61,089	-
Net Cash Flow	(15,290)	153,367
<u>ANALYSIS OF CHANGES IN CASH & CASH EQUIVLENTS</u>	(15,290)	153,367
Cash at beginning year	296,388	143,021
Cash on Hand	8,715	23,124
Bank Balances	287,673	119,897
Cash At the end of year	281,098	296,388
Cash on Hand	269	8,715
Bank Balances	280,828	287,673

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2016

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting

These accounts have been prepared under the historical cost convention and the Ghana accounting standards.

b) Non Current assets

Non Current assets are stated at cost less accumulated depreciation.

c) Depreciation

Depreciation has been charged on a straight-line basis and at rates calculated to reduce the assets value to nil at the expiration of their useful commercial lives.

The rates applicable are as follows:

Motor Vehicle	20%
Factory Building	5%
Furniture & Fittings	25%
Plant & Machinery	20%
Office Equipment	25%

d) Stocks

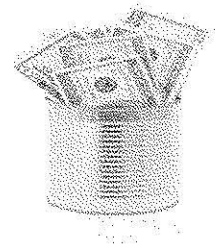
Stocks are valued at lower of cost and net realizable value.

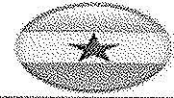
e) Taxation

The company is registered under sec (28)(i) of the Free Zone Act 1995 and is exempted from payment of income tax on profits for ten years from the date of commencement of its operations

f) Accounts receivable

Accounts receivable are stated after making provision for debits that are not recoverable.





NOTES TO THE FINANCIAL STATEMENT

ANNUAL REPORT 2015=16

3. STOCKS

Particulars	(Amount in GH¢)	
	As at 31.03.2016	As at 31.03.2015
Raw Material	695,498	382,002
Finished Goods	848,324	593,027
By Products	331,870	162,114
Work in Process	738,537	66,888
Consumables	15,116	36,739
Stock in Transit	152,509	59,385
store & spares	371,142	213,785
Stock in Trade	168,120	287,756
Total	3,321,116	1,801,694

4. ACCOUNTS RECEIVABLE

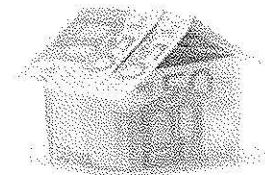
Particulars	(Amount in GH¢)	
	As at 31.03.2016	As at 31.03.2015
Prepayments	458,682	325,486
Security Deposits	2,480	2,480
Advance for Raw Material & Expenses	1,383	12,321
Loan & Advance	4,087	1,125,297
Others (including Consignment in Transit)	5,833,936	7,865,130
Total	6,300,568	9,330,713

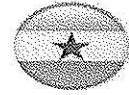
5. CASH AND BANK BALANCES

Particulars	(Amount in GH¢)	
	As at 31.03.2016	As at 31.03.2015
Cash on Hand	269	8,715
Bank balances	280,828	287,673
Total	281,098	296,388

6. ACCOUNTS PAYABLE

Particulars	(Amount in GH¢)	
	As at 31.03.2016	As at 31.03.2015
Trade Creditors	3,980,184	2,234,527
Outstanding Liabilities	1,882	192,089
Duties & Taxes	70,253	9,165
Accrued Charges	15,891	18,110
Unsecured Loan	328,722	3,530,285
Total	4,396,932	5,984,175





NOTES TO THE FINANCIAL STATEMENT

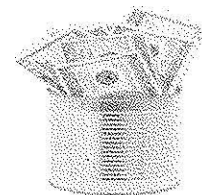
7. STATED CAPITAL

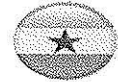
Particulars	(Amount in GHc)	
	As at 31.03.2016	As at 31.03.2015
Authorized Shares of no par value	<u>520,000</u>	<u>520,000</u>
Issued Shares of No par value	<u>314,363</u>	<u>314,363</u>
Proceeds of Issue for Cash	<u>314,363</u>	<u>314,363</u>

There is no unpaid Liability on any shares and there are no shares in treasury.

10. OTHER INCOME

Particulars	(Amount in GHc)	
	01.04.15 to 31.03.16	01.04.14 to 31.03.15
Exchange Gain	191,057	2,576,362
Miscellaneous Incomes	18,799	44,705
Total	209,857	2,621,068





NOTES TO THE FINANCIAL STATEMENTS

9. COST OF OPERATIONS

Particulars	(Amount in GHC)	
	01.04.15 to 31.03.16	01.04.14 to 31.03.15
Opening Stock		
Work-In-Progress	66,888	77,369
Finished Goods	755,141	897,470
Stock in Trade		
Total Opening Stock (A)	822,029	974,839
Add:- Direct Operational Costs		
Direct Material Consumed (annex "A")	17,882,565	14,881,257
Consumption of Consumables (annex "B")	861,216	937,832
Direct Labour	403,406	213,303
Power	517,641	289,135
Repair & Maintenance Factory & P&M	288,893	296,510
Factory Rent	322,666	224,685
Other Manufacturing expenses	26,953	22,360
Depreciation	233,006	83,023
Total Direct Operational Cost (B)	20,536,346	16,948,105
Total Overhead Cost (A+B)	21,358,375	17,922,944
Less:- Stocks - 31 March		
work - in - Progress	738,537	66,888
Finished Goods	1,180,194	755,141
Cost of Operation	19,439,644	17,100,915

NOTES TO THE FINANCIAL STATEMENT

11. SELLING , GENERAL & ADMIN EXPENSES

Particulars	(Amount in GHC)	
	01.04.15 to 31.03.16	01.04.14 to 31.03.15
Salaries & Wages (Leave & encashment)	323,816	451,760
Staff Welfare	142,559	59,505
Travelling & Conveyance (Local)	10,244	8,248
Motor Vehicle Running Expenses	24,595	27,876
Printing & Stationery & Postage	2,564	1,601
Legal & Professional Fees	61,178	47,651
Audit Fees	1,500	1,500
Guest House Rent	49,229	37,973
Guest House Expenses	22,350	5,787
Repair & Maintenance	16,666	6,215
Insurance Expenses	10,198	8,687
Office Expenses	2,074	284
Business Promotion	22,030	32,544
Loss on Discard of Fixed Assets	3,057	24,864
Depreciation	42,332	17,541
Telephone & Communication	11,959	13,680
Foreign Travelling Expenses	131,049	86,994
Selling & Distribution Expenses	535,401	453,608
Security Expenses- Factory	24,648	15,479
Bad Debts W/off	-	15,954
TOTAL	1,437,448	1,317,749

12. FINANCIAL EXPENSES

Particulars	(Amount in GHC)	
	01.04.15 to 31.03.16	01.04.14 to 31.03.15
Bank Charges	96,824	76,018
Interest on Loan	138,391	917,277
TOTAL	235,215	993,295

NOTES TO THE FINANCIAL STATEMENT

Particulars	(Amount in GHC)	
	01.04.15 to 31.03.16	01.04.14 to 31.03.15
Opening Stock	729,143	36,392
Add: Purchase (including Freight & Import Exp)	18,017,040	15,574,007
Less: Closing stock of Raw Material	863,618	729,143
Consumption of Raw Material	17,882,565	14,881,257

Particulars	(Amount in GHC)	
	01.04.15 to 31.03.16	01.04.14 to 31.03.15
Annexure "B"		
Consumption of Consumables		
Opening stock of consumables	250,523	243,310
Add: Purchase of Consumables & expenses	1,149,460	945,045
Less: Closing Stock of consumable	538,767	250,523
Consumption of Consumables	861,216	937,832